# FORM D

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

## FORM D

RECEIVED COMB Number: 3235-0076
Expires: November 30, 2001
Estimated average burden

16.00

NOTICE OF SALE OF SECURITIES

PURSUANT TO REGULATION D,

SECTION 4(6), AND/OR

UNIFORM LIMITED OFFERING EXEMPTION

Zt	(hours per	response	16.00
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1	Prefix		Serial
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<del>-</del> ·	an amendment and name has changed, and indica	te change.)
Psi Systems, Inc. Series A Conve	ertible Preferred Stock	
Filing Under (Check box(es) that app	oly): □ Rule 504 □ Rule 505 🗷 Rul	le 506 ☐ Section 4(6) ☐ ULOE
Type of Filing:  New Filing	☐ Amendment	
	A. BASIC IDENTIFICATION DATA	
1. Enter the information requested	about the issuer	
Name of Issuer (□ check if this is an	amendment and name has changed, and indicate of	change.)
Psi Systems, Inc.		
Address of Executive Offices	(Number and Street, City State, Zip Code)	Telephone Number (Including Area Code)
4 Professional Drive, Suite 114,	Gaithersburg, Maryland 20879	(301) 370-7006
Address of Principal Business Operat	tions (Number and Street, City State, Zip Code)	Telephone Number (Including Area Code)
(if different from Executive Offices)		
Brief Description of Business		
-		
Technology.		PROCESSEI
Type of Business Organization		FEB 1 1 2003
☑ corporation	☐ limited partnership, already formed	other (please specify):
☐ business trust	☐ limited partnership, to be formed	THOMSON
	Month Year	FINANCIAL
Actual or Estimated Date of Incorpor	ration or Organization: 0 1 0 3	☑ Actual ☐ Estimated
Jurisdiction of Incorporation or Orga	nization: (Enter two-letter U.S. Postal Service at CN for Canada; FN for other foreign ju	1111 🛏 1
	Civioi Canada, i ivioi omer foreign je	insurement)

### **GENERAL INSTRUCTIONS**

### Federal:

Who Must File: All issuers making an offering of securities in reliance on an exemption under Regulation D or Section 4(6), 17 CFR 230.501 et seq. or 15 U.S.C. 77d(6).

When to File: A notice must be filed no later than 15 days after the first sale of securities in the offering. A notice is deemed filed with the U.S. Securities and Exchange Commission (SEC) on the earlier of the date it is received by the SEC at the address given below or, if received at that address after the date on which it is due, on the date it was mailed by United States registered or certified mail to that address.

Where to File: U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.

Copies Required: Five (5) copies of this notice must be filed with the SEC, one of which must be manually signed. Any copies not manually signed copy or bear typed or printed signatures.

Filing Fee: There is no federal filing fee.

### State:

This Notice shall be used to indicate reliance on the Uniform Limited Offering Exemption (ULOE) for sales of securities in those states that have adopted ULOE and that have adopted this form. Issuers relying on ULOE must file a separate notice with the Securities Administrator in each state where sales are to be, or have been made. If a state requires the payment if a fee as a precondition to the claim for the exemption, a fee in the proper amount shall accompany this form. This notice shall be filed in the appropriate states in accordance with state law. The Appendix to the notice constitutes a part of this notice and must be completed.

### **ATTENTION**

Failure to file notice in the appropriate states will not result in a loss of the federal exemption. Conversely, failure to file the appropriate federal notice will not result in a loss of an available state exemption unless such exemption is predicated on the filing of a federal notice.

	<del></del>					
		A. BASIC IDENTIF	ICATION DATA			
2 Enter the information re	=	_				
		issuer has been organized			\n./	6 1 6
Each beneficial own equity securities of t		power to vote or dispose	e, or direct the vote or d	usposition of, 10	1% 0	r more of a class of
2 7	,	or of corporate issuers a	nd of corporate general	and managing	part	ners of partnership
issuers; and			1 0		1	
		r of partnership issuers.				
Check Box(es) that Apply:	☐ Promoter	☐ Beneficial Owner	☑ Executive Officer	☐ Director		General and/or Managing Partner
Full Name (Last name first,	if individual)					
Reed, Wrightly T.						
Business or Residence Addre	ss (Number and	d Street, City, State, Zip	Code)			
4 Professional Drive, Su	ite 114, Gaither	rsburg, Maryland 20879				
Check Box(es) that Apply:	☐ Promoter	■ Beneficial Owner	☐ Executive Officer	☐ Director		General and/or Managing Partner
Full Name (Last name first,	if individual)					
Abutaleb, Mohammed C	}					
Business or Residence Addre	ess (Number and	d Street, City, State, Zip	Code)			
4 Professional Drive, Su	ite 114, Gaither	rsburg, Maryland 20879				
Check Box(es) that Apply:	☐ Promoter	☑ Beneficial Owner	☐ Executive Officer	☐ Director		General and/or Managing Partner
Full Name (Last name first,	if individual)					
Megel, David J.	,					
Business or Residence Addre	ess (Number and	d Street City State Zin	Code)			
4 Professional Drive, Su		• • • • • • •				
Check Box(es) that Apply	☐ Promoter	Beneficial Owner	☐ Executive Officer	☐ Director		General and/or
V. / LT /						Managing Partner
Full Name (Last name first,	if individual)					
Crichton, James C						e e estable engling ing nombru. Bibliografians in a basin ing nombra
Business or Residence Addre	ss (Number and	d Street, City, State, Zip	Code)			
4 Professional Drive, Su	ite 114, Gaithei	rsburg, Maryland 20879				
Check Box(es) that Apply:	☐ Promoter	☑ Beneficial Owner	☐ Executive Officer	□ Director		General and/or
		<del></del>		<u>-</u>		Managing Partner
Full Name (Last name first,	if individual)					
Arrowhead Global Solut	tions, Inc.					
Business or Residence Addre	ess (Number and	d Street, City, State, Zip	Code)			
1501 Farm Credit Drive	, Suite 4400, M	cLean, Virginia 22102			_	
Check Box(es) that Apply:	☐ Promoter	☐ Beneficial Owner	☐ Executive Officer	☐ Director	0	General and/or Managing Partner
Full Name (Last name first,	if individual)					
Business or Residence Addre	ess (Number and	d Street, City, State, Zip	Code)			
Check Box(es) that Apply:	☐ Promoter	☐ Beneficial Owner	☐ Executive Officer	☐ Director		General and/or Managing Partner
Full Name (Last name first,	if individual)					
Pusinges or Posidones Add-	ace (Number on	d Street City State 7:-	Cada			
Business or Residence Addre	ose (ivuilibei alle	u succi, City, state, Zip	Couc)			

		•											
					B. IN	FORMAT	FION ABO	OUT OFFI	ERING				
1. H	las th	e issuer so	old, or doe	s the issue	r intend to	sell, to no	n-accredite	ed investors	s in this of	fering?	Yes		10 🗷
				A	inswer also	in Append	ix, Column	2, if filing u	nder ULOE				
2. V	Vhat :	is the mini	imum inve	estment tha	it will be ac	ccepted fro	om any ind	lividual?		•••••	\$	n/a	
3. E	oes t	he offerin	g permit j	oint owner	ship of a si	ngle unit	?		************	*******	Yes		10 ເ⊠
si a: o:	imila n asso r dea	r remuner ociated per ler. If m	ation for s rson or ago ore than f	olicitation ent of a bro five (5) pe	of purchas oker or dea rsons to be	ers in cor ler registe	nnection whered with the	vill be paid ith sales of ne SEC and ed persons	securities for with a	in the offer state or state	ing. If a p	erson to be name of th	listed is te broker
				r or dealer individual				<del></del>			·	<del></del>	
	/a	(East nan	11130, 11	inai viadai	,								
Busin	ess o	r Residenc	ce Address	s (Number	and Street	, City, Sta	ate, Zip Co	de)					
	/a												<del></del>
	e of A Ja	ssociated	Broker or	Dealer									
		hich Pers	on Listed	Has Solici	ted or Inte	nds to Sol	licit Purch	asers				<del></del>	
(0	Check	c "All Stat	es" or che	ck individ	ual states).					•••••		🗆 А	II States
AL		AK 🗆	AZ 🗆	AR 🗆	CA 🗆	со 🛚	ст 🗆	DE 🛘	DC 🗆	FL 🗆	GA □	ні 🗆	ID 🗖
IL		IN 🗆	IA 🗆	ks □	KY 🗆	LA 📮	ME $\square$	MD 🗆	ма 🗆	MI 🗆	MN 🗆	MS □	мо 🗆
МТ		NE 🗆	NV 🗆	NH 🗆	ил 🗖	им 🗆	NY 🗆	ис □	ND 🗆	он 🗆	ок 🛘	OR 🗆	PA 🗆
RI		sc 🗆	SD 🗆	TN 🗆	TX 🗆	UT 🗖	VT 🗆	VA 🗆	WA 🗆	wv 🗆	WI 🗆	WY 🗆	PR 🗆
Full N	Vame	(Last nan	ne first, if	individual	)			- <u></u> -	<del>-</del>				
Bucin	1955 0	r Deciden	oe Address	Number	and Street	City Sto	ote Zin Co	-do)					
Dusin	1033 0	i Nesiuein	ce Address	s (runnoer	and Street	, City, Sia	ite, zip co	ue)					
Name	of A	ssociated	Broker or	Dealer		<del></del>							
States	s in V	Vhich Pers	son Listed	Has Solici	ited or Inte	nds to So	licit Purch	asers					
((	Check	c "All Stat	tes" or che	ck individ	ual states).							🛭 A	ll States
AL		AK 🗆	AZ 🗖	AR 🗆	CA 🗆	со 🗆	ст 🗆	DE 🗆	DC 🗆	FL 🗖	GA 🗖	ні 🗖	ID 🗖
IL		IN 🗆	IA 🗆	KS □	KY 🗆	LA 🗆	ME 🗆	MD 🗆	ма 🗆	мі 🗆	MN 🗆	мѕ 🗖	мо 🗖
MT		NE 🗆	NV 🗖	NH 🗆	ил 🗖	NM 🗆	NY 🗆	NC 🗆	ND 🗆	он 🛚	ок 🗆	OR 🗆	PA 🗆
RI		sc 🗆	SD 🗆	TN 🗆	тх 🗆	UT 🗖	VT 🗆	VA 🗆	WA 🗆	wv 🗆	WI 🗆	WY 🗆	PR 🗆
Full 1	Vame	(Last nan	ne first, if	individual									
Busin	iess o	r Residen	ce Addres	s (Number	and Street	, City, Sta	ate, Zip Co	de)			<u>.</u>		
Name	e of A	ssociated	Broker or	Dealer									
					ited or Inte			asers				ПА	II States
AL.		AH D	AZ 🗆	AR 🗆	CA $\square$	co 🗖	ст 🗆	DE 🗖	DC 🗆	FL 🗀	GA 🏻	л Ц Ш	
IL		IN $\square$	IA 🗆	KS □	ky □	LA $\square$	ME $\square$	MD $\square$	MA $\square$	м 🗆	MN $\square$	MS □	мо 🗆
MT		NE 🗆	NV 🗆	NH $\square$	ил 🗆	NM 🗆	NY 🗆	NC 🗆	ND $\square$	он 🗖	ок □	OR 🗆	PA 🗆
DI.		9C []	8D []	TN 🗆		11T 🗖				\\\\\ \D			PR □

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

	C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AN	D II	SE OF PROCE	FD	
1.					
	Type of Security	C	Aggregate Offering Price	A	mount Already Sold
	Debt	\$	-0-	\$	-0-
	Equity	\$	1,000,000.00	\$	500,000.00
	☐ Common ☑ Preferred				
	Convertible Securities (including warrants)	\$	-0-	\$	-0-
	Partnership Interests	\$	-0-	\$	-0-
	Other (Specify)	\$	-0-	\$	-0-
	Total	\$	1,000,000.00	\$	500,000.00
	Answer also in Appendix, Column 3, if filing under ULOE.				
2.	Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if the answer is "none" or "zero."		Number	1	Aggregate Dollar Amount
			Investors		of Purchases
	Accredited Investors		1	\$	500,000.00
	Non-accredited Investors		-0-	\$	-0-
	Total		1	\$	500,000.00
3.	If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, in the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C – Question 1.				
	T 6 - 60		Type of	]	Dollar Amount
	Type of offering		Security	•	Sold
	Rule 505	_	n/a	\$	-0-
	Regulation A		n/a	\$ \$	-0-
	Rule 504		n/a n/a	\$ \$	-()-
	Total		IVa	Þ	
4.	a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.				
	Transfer Agent's Fees			\$	-0-
	Printing and Engraving Costs			\$	-0-
	Legal Fees		<b>X</b>	\$	25,000.00
	Accounting Fees		🗆	\$	-0-
	Engineering Fees	• • • • • •		\$	-0-
	Sales Commissions (specify finders' fees separately)			\$	-0-
	Other Expenses (identify)			\$	-0-

	C. OFFERING PRICE, NUMBER	OF INVESTORS, FX	PEN	SES	AND USE OF I	PROCE	FDS	
1 111	b. Enter the difference between the aggregate Part C - Question 1 and total expenses furnishe 4.a. This difference is the "adjusted gross procee	offering price given in ed in response to Part C	respo – Qu	nse t	0 n		\$	475,000.00
5.	Indicate below the amount of the adjusted greproposed to be used for each of the purposes she is not known, furnish an estimate and check the total of the payments listed must equal the adjustorth in response to Part C – Question 4 b above.	own. If the amount for a box to the left of the est sted gross proceeds to the	any p imate	urpos e. Th	e e			
	Torui in response to Part C – Question 4.0 above.	•			Payments to Officers, Directors & Affiliates			Payments to Others
	Salaries and fees			\$	-()-		\$	-0-
	Purchase of real estate			\$	-0-		\$	-0-
	Purchase, rental or leasing and installment of made	chinery and equipment		\$	-0-		\$	-()-
	Construction or leasing of plant buildings and fac	cilities		\$	-()-		\$	-()-
	Acquisition of other businesses (including the involved in this offering that may be used in excisecurities of another issuer pursuant to a merger).	hange for the assets or		\$	<b>-</b> 0-		\$	-0-
	Repayment of indebtedness			\$	<del>-</del> 0-		\$	-0-
	Working capital		_	\$	-0-		\$	475,000.00
				\$	-0-		\$	-0-
	Other (specify):		11	Ψ			¥	-0-
				\$	-0-		\$	-0-
	Column Totals			\$	-0-		\$	475,000.00
	Total Payments Listed (column totals added)				□ \$	47	5,000	0.00_
		D. FEDERAL SIGNAT	URE	3		- 1111111111111111111111111111111111111		
the wri	e issuer has duly caused this notice to be signed by following signature constitutes an undertaking betten request of its staff, the information furnishe e 502.	by the issuer to furnish t	o the	U.S.	Securities and	Exchan	ge Co	ommission, upon
Issi	ner (Print or Type)	ignature			2	ate	,	
	Psi Systems, Inc.	11812	, p			2/3	3/0	3
Na	me of Signer (Print or Type)	itle of Signer (Print or T	ype)		·			<u> </u>
	Wrightly T. Reed	President				_		

# **ATTENTION**

Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001.)

		E. STATE SIGNATURE							
I.									
	See	Appendix, Column 5, for state response.							
2.			is notice if filed, a notice on						
3.	3. The undersigned hereby undertakes to furnish to the state administrators, upon written request, information furnished by the issuer to offerees.								
4.	See Appendix, Column 5, for state response.  e undersigned hereby undertakes to furnish to any state administrator of any state in which this notice if filed, a notice on m D (17 CFR 239.500) at such times as required by state law.  e undersigned hereby undertakes to furnish to the state administrators, upon written request, information furnished by the ler to offerees.  e undersigned issuer represents that the issuer is familiar with the conditions that must be satisfied to be entitled to the Uniform nited Offering Exemption (ULOE) of the state in which this notice is filed and understands that the issuer claiming the ilability of this exemption has the burden of establishing that these conditions have been satisfied.  Der has read this notification and knows the contents to be true and has duly caused this notice to be signed on its behalf by the gned duly authorized person.  Print or Type)  Signature  Date  2/3/0.3  Title of Signer (Print or Type)								
	e issuer has read this notification and knows the dersigned duly authorized person.	ne contents to be true and has duly caused this notice	e to be signed on its behalf by the						
Iss	uer (Print or Type)	Signature	Date						
	Psi Systems, Inc.	Markers	2/3/03						
Na	me of Signer (Print or Type)	Title of Signer (Print or Type)	. /						
	Wrightly T. Reed	President							

### Instruction:

Print the name and title of the signing representative under his signature for the state portion of this form. One copy of every notice on Form D must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.

				AP	PENDIX				
1		2	3			4		5	
	to non-a	I to sell ccredited s in State -Item 1)	Type of security and aggregate offering price offered in State (Part C-Item 1)		amount purc	nvestor and chased in State C-Item 2)		Disqualification under State ULOE (if yes, attach explanation of waiver granted) (Part E-Item 1)	
				Number of Accredited	Number of Non-				
State	Yes	No		Investors	Amount	Investors	Amount	Yes	No
AL		<u></u>							
AK									
AZ									
AR									
CA									
СО									
CT					-				
DE									
DC									
FL									
GA									
НІ									
ID									
IL									
IN							····		
lA									
KS									
KY					. <u> </u>				
LA									
ME									
MD									
MA									
MI									
MN									
MS									
МО									
MT									

APPENDIX 3 2 1 4 5 Disqualification under State Type of security **ULOE** Intend to sell and aggregate (if yes, attach to non-accredited offering price Type of investor and explanation of investors in State offered in State amount purchased in State waiver granted) (Part B-Item 1) (Part C-Item 1) (Part C-Item 2) (Part E-Item 1) Number of Number of Non-Accredited Accredited State No Yes **Investors** Amount **Investors** Yes Amount No NE NV NH NJ NM NY NC ND OH OK OR PA RISC SD TN TX UT VT Series A X VA X 1 \$ 500,000.00 -0n/a Preferred WA WVWI WY PR